

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General, Housing, and Military Affairs to which was
3 referred Senate Bill No. 204 entitled “An act relating to the registration of
4 short-term rentals” respectfully reports that it has considered the same and
5 recommends that the House propose to the Senate that the bill be amended by
6 striking out all after the enacting clause and inserting in lieu thereof the
7 following:

8 **Sec. 1.** 18 V.S.A. § 4301 is amended to read:

9 **§ 4301. DEFINITIONS**

10 (a) As used in this ~~subchapter~~ chapter:

11 * * *

12 (14) “Short-term rental” means a furnished home, condominium, or
13 other dwelling room or self-contained dwelling unit rented to the transient,
14 traveling, or vacationing public for a period of fewer than 30 consecutive days
15 and for more than 14 days per calendar year. A short-term rental shall not
16 include a hotel, motel, inn, or bed and breakfast.

17 * * *

18 **Sec. 2.** 32 V.S.A. chapter 225 is amended to read:

19 CHAPTER 225. MEALS AND ROOMS TAX

20 * * *

21 § 9202. DEFINITIONS

1 (B) any establishment operated by any state or U.S. agency or
2 institution, except the Department of Forests, Parks and Recreation of the State
3 of Vermont;

4 (C) an establishment operated by a nonprofit corporation or
5 association organized and operated exclusively for religious, charitable, or
6 educational purposes, one or more, which, in furtherance of any of the
7 purposes for which it was organized, operates a hotel as defined herein; ~~and~~

8 (D) a continuing care retirement community certified under 8 V.S.A.
9 chapter 151; and

10 (E) a short-term rental as defined pursuant to 18 V.S.A. § 4301.

11 * * *

12 § 9271. LICENSES REQUIRED

13 (a) Each operator prior to commencing business shall register with the
14 Commissioner each place of business within the State where he or she operates
15 a hotel or short-term rental or sells taxable meals or alcoholic beverages;
16 provided, however, that an operator who sells taxable meals through a vending
17 machine shall not be required to hold a license for each individual machine.
18 Upon receipt of an application in such form and containing such information as
19 the Commissioner may require for the proper administration of this chapter,
20 the Commissioner shall issue without charge a license for each ~~such~~ place in
21 such form as he or she may determine, attesting that ~~such~~ the registration has

1 been made. No person shall engage in serving taxable meals or alcoholic
2 beverages or renting hotel rooms or short-term rentals without the license
3 provided in this section. The license shall be nonassignable and
4 nontransferable and shall be surrendered to the Commissioner if the business is
5 sold or transferred or if the registrant ceases to do business at the place named.

6 (b) Each application shall indicate whether a license is sought for a hotel or
7 short-term rental or to sell taxable meals or alcoholic beverages.

8 (c) An operator submitting an application for a short-term rental shall
9 certify on the application forms published by the Department that the short-
10 term rental is in compliance with the following provisions:

11 (1) The unit does not have any known violations of relevant State and
12 local fire, life safety, and zoning laws and rules and has all smoke and carbon
13 monoxide detectors as required by 9 V.S.A. chapter 77.

14 (2) The unit is free of any evidence of insects, rodents, and other pests.

15 (3) If the unit uses water from a nonpublic water supply system, it does
16 not have any known violations of Vermont's water supply rules.

17 (4) All sewage is disposed of through an approved facility, including
18 either:

19 (A) a public sewage treatment plant; or

1 (B) an individual sewage disposal system that does not have any
2 known violations of the Department of Environmental Conservation’s rules
3 and other applicable sanitation requirements.

4 (5) Any advertisement for the short-term rental contains the operator’s
5 meals and rooms tax account number provided by the Department.

6 (6) There is posted within the unit a telephone number for the person
7 responsible for the unit and the contact information for the Attorney General’s
8 Consumer Assistance Program and the Department of Public Safety’s Division
9 of Fire Safety.

10 (d) The following data from any short-term rental database created by the
11 Department shall be available to the Department of Health and to the
12 Department of Public Safety’s Division of Fire Safety for the purpose of
13 ensuring the health and safety of the transient, traveling, or vacationing public:

14 (1) name of the operator;

15 (2) address of the operator’s primary residence;

16 (3) operator’s primary telephone number and e-mail address;

17 (4) short-term rental address; and

18 (5) meal and rooms tax account number associated with short-term
19 rental.

1 Sec. 3. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS

2 (a) The Commissioners of Health and of Taxes and the Executive Director
3 of the Department of Public Safety’s Division of Fire Safety shall jointly
4 prepare and publish on the websites of the Departments of Health, of Taxes,
5 and of Public Safety educational materials for short-term rental operators,
6 including:

7 (1) an explanation of the requirements in 32 V.S.A. chapter 225;

8 (2) a description of health and safety precautions that short-term rental
9 operators are advised to take; and

10 (3) information regarding the importance of and coverage options for
11 liability insurance.

12 (b) The Department of Taxes shall annually disseminate materials prepared
13 and published pursuant to subsection (a) of this section to operators of short-
14 term rentals licensed pursuant to 32 V.S.A. chapter 225. The Department may
15 disseminate the materials electronically.

16 (c) As used in this section, “short-term rental” shall have the same meaning
17 as in 18 V.S.A. § 4301.

18 Sec. 4. REPORTS

19 The Commissioners of Health and of Taxes and the Executive Director of
20 the Department of Public Safety’s Division of Fire Safety shall jointly submit
21 the following written reports to the House Committees on General, Housing,

1 and Military Affairs and on Human Services and to the Senate Committees on
2 Economic Development, Housing and General Affairs and on Health and
3 Welfare:

4 (1) on or before January 1, 2019, a report detailing the progress in
5 preparing for implementation of 32 V.S.A. chapter 225; and

6 (2) on or before January 1, 2020, a report addressing:

7 (A) any gaps or weaknesses related to the regulation of short-term
8 rentals pursuant to 32 V.S.A. chapter 225;

9 (B) data related to the number of licensed short-term rental units and
10 the collection of taxes;

11 (C) the types of educational materials distributed to short-term rental
12 operators; and

13 (D) whether any complaints have been received about short-term
14 rentals, and if so, how the complaints were addressed.

15 Sec. 5. EFFECTIVE DATE

16 This act shall take effect on January 1, 2019.

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19 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE